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Date: 12/18/01  
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Signature: AGNES A. SULLIVAN  
Clifford Chance Rogers & Wells LLP

Docket No. 3499-91

#### IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

In re Application of: Greener et al.

Filed: November 16, 2000

Group Art Unit: 2164

Serial No: 09/714,315

Examiner: Special Programs Examiner  
Pinchus M. Laufer

For: AUTOMATED ONLINE SALES RISK MANAGEMENT SYSTEM

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Technology Center 2100

#### RENEWED PETITION TO MAKE SPECIAL UNDER 37 C.F.R. § 1.102

Commissioner for Patents  
Washington, D.C. 20231

Sir:

In an Office Action dated November 2, 2001, the Petition to Make Special for the above-identified application was denied by the Special Program Examiner. Pursuant to 37 C.F.R. § 1.102(d) and M.P.E.P. 708.02(VIII): Accelerated Examination, the petitioners hereby respectfully request reconsideration of the Petition to Make Special.

Specifically the Office Action stated that the Petitioners submission was deficient because it did not comply with (B) requiring a statement regarding making an election without traverse if the claims are not directed to a single invention. The Examiner also noted that the Petitioner's discussion of the references and how the claimed subject matter is patentable over the references can be improved.

With regard to (B), the Petitioners present all claims directed to a single invention, or if the Patent and Trademark Office (USPTO) determines that all of the claims are not obviously directed to a single invention, will make an election without traverse as a prerequisite to the grant of special status.

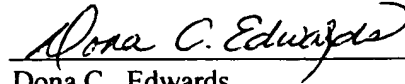
The Petitioners have also included a more detailed discussion of how the claimed subject matter is patentable over the references.

The Commissioner is hereby authorized to charge any additional fees for the Petition to Make Special as set forth in 37 C.F.R. § 1.17(i), or to credit any overpayments in connection with this communication, to Deposit Account No. 50-0521. A duplicate copy of this Petition is enclosed herewith.

Accordingly, it is respectfully requested that the U.S. Patent and Trademark Office reconsider granting the Petition to Make Special for the above-identified application.

Date: December 18, 2001

Respectfully submitted,



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The Petitioners present all claims directed to a single invention, or if the Patent and Trademark Office (USPTO) determines that all of the claims are not obviously directed to a single invention, will make an election without traverse as a prerequisite to the grant of special status.

### **DISCUSSION OF REFERENCES**

#### **U.S. Patent 5,557,518 ('518)**

The '518 patent to Rosen is entitled "Trusted Agents For Electronic Commerce," and issued on September 17, 1996. The '518 patent describes a system for open electronic commerce having a customer trusted agent securely communicating with a first money module, and a merchant trusted agent securely communicating with a second money module. Both trusted agents are capable of establishing a first cryptographically secure session, and both money modules are capable of establishing a second cryptographically secure session. The merchant trusted agent transfers electronic merchandise to the customer trusted agent, and the first money module transfers electronic money to the second money module. The money modules inform their trusted agents of the successful completion of payment, and the customer may use the purchased electronic merchandise. The system allows both the customer and merchant to feel secure that their interests are being served in electronic merchandise or services transactions. The system creates an environment for open electronic commerce where both customers and merchants can securely transact remotely over electronic networks without prior knowledge of each other. Additionally, the customer may pay for electronic merchandise by presenting a credential representing a credit or debit card; electronic tickets may be presented to other trusted agents in order to obtain services; the trusted agents may be used for performing a secure identity-based payment and the trusted agents may be used to resolve a dispute over purchased electronic merchandise. Moreover, the system provides for the exchange of dissimilar currencies in relation to an agreed upon exchange rate.

The '518 patent does not disclose a method and system for online sales utilizing different currencies whereby a cost of credit, a cost of currency, a cost of insurance or other associated fees are included in a price for products or services. In particular, the '518 patent does not receive an amount relating to a deliverable involved in an on-line transaction, determine a cost of credit to be extended based on the transaction, calculate a cost for exchange of the currency relating to the transaction and calculate a price which comprises an aggregate of the cost of credit, the cost of exchange and the amount relating to the deliverable. Nor does '518 enter a predetermined time period for which an exchange price will remain valid during an on-line transaction involving a foreign currency and a base currency, and update the exchange price if the transaction takes longer than the predetermined time period as claimed in the present invention. The '518 patent also does not teach receiving information relating to a credit application for a participant in an online transaction, assigning the credit application information to a risk category and calculating a foreign exchange price for an amount relating to the online transaction utilizing variables comprising the risk category. Furthermore, the '518 patent does not disclose a computer executable code comprising instructions for causing a computer to perform these functions or software stored on a server and executable on demand via a network access device. Finally, the '518 patent does not teach determining the amount of insurance available to a participant in an on-line transaction and confirming the insurance is sufficient to guarantee payment of the purchase price as claimed in the above-identified application.

#### U.S. Patent 5,787,402 ('402)

The '402 patent to Potter et al. is entitled "Method And System For Performing Automated Financial Transactions Involving Foreign Currencies," and issued on July 28, 1998. The '402 patent describes a method and system for performing automated financial transactions involving at least two currencies at real-time market rates between a customer and a financial institution, automatically incorporates the current market process and operates in a secure environment. Customers may access the system on-line and in real time through various terminals such as a PC. By inputting information in response to prompts on the screen, the system quickly identifies the nature of the transaction the customer desires and the customer inputs the characteristics of the transaction the user desires. The system then automatically generates an offer in response to the customer's request based upon a number of parameters including the market price, and the size and nature of the client. The system then promptly displays the bank's offer to the customer in a clear and concise manner. The customer is then given an opportunity to accept the offer, ask that the offer be updated or reject the offer. In addition, a customer may request a spot rate and terms for a specific buy or sell currency entered into the system, and upon availability, a rate server may send the rate quote to an FX trade server; the FX trade server, in turn, stores a time-stamped copy of the rate quotation with a unique reference number; and then relays the requested rate quotation to a customer PC as adjusted by pre-determined criteria in the FX trade server. Furthermore, when a rate is received, the term of the currency will be displayed by the client PC for a specified time period (5-15 seconds), and provides a customer with an opportunity accept the rate by choosing the "Trade" button on screen. Furthermore, if the customer does not accept the rate within the specified time period, then, upon request, the rate server via the FX trade server will send an updated rate to the customer PC for the customer to accept or not accept, according to currency rate changes at any time past the specified time. In closing, the system automatically generates a currencies exchange offer in response to a customer's entry based upon parameters including: market price, size and nature of the transaction, and the size and nature of the customer.

The '402 patent does not disclose a method and system for online sales utilizing different currencies whereby a cost of credit, a cost of currency, a cost of insurance or other associated fees are included in a price for products or services. In particular, the '402 patent does not receive an amount relating to a deliverable involved in an on-line transaction, determine a cost of credit to be extended based on the transaction, calculate a cost for exchange of the currency relating to the transaction and calculate a price which comprises an aggregate of the cost of credit, the cost of exchange and the amount relating to the deliverable. Nor does '402 enter a predetermined time period for which an exchange price will remain valid during an on-line transaction involving a foreign currency and a base currency, and update the exchange price if the transaction takes longer than the predetermined time period. The '402 patent also does not teach receiving information relating to a credit application for a participant in an online transaction, assigning the credit application information to a risk category and calculating a foreign exchange price for an amount relating to the online transaction utilizing variables comprising the risk category. Furthermore, the '402 patent does not disclose a computer executable code comprising instructions for causing a computer perform these functions or software stored on a server and executable on demand via a network access device. Finally, the '402 patent does not teach determining the amount of insurance available to a participant in an on-line transaction and confirming the insurance is sufficient to guarantee payment of the purchase price as claimed in the above-identified application.

#### U.S. Patent 5,852,812 ('812)

The '812 patent to Reeder is entitled "Billing System For A Network," and issued on December 22, 1998. The '812 patent describes a billing system for on-line computer networks, whereby customers of the on-line system are billed in their own currency for billable events. Billable events can include access to premium services, file downloads or gateway connections to other systems. For

example, a customer in a different country may be charged for access to the on-line network of a merchant located in a different country. Real time processing of billable events allows the system to post charges to a customer's on-line charge statement quickly following generation of a billable event. In addition, according to a customer's subscription plan and base currency, an appropriate pricing rule may instruct the billing system to charge that particular customer a discounted price. Specifically, a series of customers are linked through a gateway to a host data center which communicates with banking services center which produces credit card statements to bill customers for their services on-line. Furthermore, the billing system handles issues of high-volume scalability and response time by using a number of techniques. First, billable events that occur within the system are handled in data sets, rather than individually which increases the systems overall throughput. The system also parses its data sets prior to acting on them so that events with similar characteristics are processed simultaneously which leads to more streamlined system for processing billable events.

The '812 patent does not disclose a method and system for online sales transactions. More particularly, the '812 patent does not disclose a system for online sales utilizing different currencies whereby a cost of credit, a cost of currency, a cost of insurance or other associated fees are included in a price for products or services. Furthermore, the '812 patent does not receive an amount relating to a deliverable involved in an on-line transaction, determine a cost of credit to be extended based on the transaction, calculate a cost for exchange of the currency relating to the transaction and calculate a price which comprises an aggregate of the cost of credit, the cost of exchange and the amount relating to the deliverable. Nor does '812 enter a predetermined time period for which an exchange price will remain valid during an on-line transaction involving a foreign currency and a base currency, and update the exchange price if the transaction takes longer than the predetermined time period. The '812 patent also does not teach receiving information relating to a credit application for a participant in an online transaction, assigning the credit application information to a risk category and calculating a foreign exchange price for an amount relating to the online transaction utilizing variables comprising the risk category. Furthermore, the '812 patent does not disclose a computer executable code comprising instructions for causing a computer perform these functions or software stored on a server and executable on demand via a network access device. Finally, the '812 patent does not teach determining the amount of insurance available to a participant in an on-line transaction and confirming the insurance is sufficient to guarantee payment of the purchase price as claimed in the above-identified application.

#### U.S. Patent 5,878,400 ('400)

The '400 patent to Carter, III is entitled "Method and Apparatus For Pricing Products In Multi-Level Product And Organizational Groups," and issued on March 2, 1999. The '400' patent describes a method and apparatus for determining prices for various products offered to various purchasing organizations, by way of implementing various pricing tables and price adjustment tables. The invention utilizes a denormalized table to relate the organization to the product using denormalized numbers. The invention sorts the various pricing adjustments applicable to a particular product offered to a particular purchasing group based on several criteria. After sorting is accomplished the pricing adjustments are applied in sequence to arrive at a final price at which a particular product can be sold to a particular purchasing organization. In addition, the method may determine that one category of price adjustments applicable to a foreign purchasing organization are currency exchange rate adjustments, and may provide pricing types in relation to a customer's base cost, currency conversion factor, customer discount, customer negotiated discount, and volume discount. The currency conversion requires a single table to keep track of the changes in currency exchange rate between a foreign country and the U.S. The invention overcomes the prior art's difficulty in storing, maintaining and retrieving the large amounts of data required to apply pricing adjustment to determine prices for various products.

The '400 patent does not disclose a method and system for online sales transactions utilizing different currencies whereby a cost of credit, a cost of currency, a cost of insurance or other associated fees are included in a price for products or services. In particular, the '400 patent does not receive an amount relating to a deliverable involved in an on-line transaction, determine a cost of credit to be extended based on the transaction, calculate a cost for exchange of the currency relating to the transaction and calculate a price which comprises an aggregate of the cost of credit, the cost of exchange and the amount relating to the deliverable. Nor does '400 enter a predetermined time period for which an exchange price will remain valid during an on-line transaction involving a foreign currency and a base currency, and update the exchange price if the transaction takes longer than the predetermined time period. The '400 patent also does not teach receiving information relating to a credit application for a participant in an online transaction, assigning the credit application information to a risk category and calculating a foreign exchange price for an amount relating to the online transaction utilizing variables comprising the risk category. Furthermore, the '400 patent does not disclose a computer executable code comprising instructions for causing a computer perform these functions or software stored on a server and executable on demand via a network access device. Finally, the '400 patent does not teach determining the amount of insurance available to a participant in an on-line transaction and confirming the insurance is sufficient to guarantee payment of the purchase price as claimed in the above-identified application.

U.S. Patent 6,205,433 B1 ('433)

The '433 patent to Boesch et al. is entitled "System And Method For Multi-Currency Transactions," and issued on March 20, 2001. The '433 patent describes a system and method for determining approval of a multi-currency transaction between a customer and a merchant over a network. In addition, the merchant and customer computers each include, respectively, a data set containing a product price at which the merchant agrees to sell the product in a merchant specified currency, and a data set which contains an amount the customer is willing to pay the merchant for a product in a customer specified currency. Furthermore, a centralized server, upon receipt of the first data set and the second data set, converts the amount in the first currency into a converted amount in the second currency, and approves the transaction if the converted amount, and approves the transaction if the converted amount in the second currency is within the risk range of the product price in the second currency in accordance with the current exchange rates. Once the transaction is approved, the approving entity may settle the transaction at its discretion thereby bearing the risk associated with the currency exchange. The parties, however, incur no risk. The customer will pay the amount in the first currency and the merchant will receive the amount in the second currency. These values are known and agreed to by the parties at the time of the transaction. In closing, interactive purchase sessions are of limited duration, and governed by predetermined parameters (limited amount of electronic funds ("session amount"), a maximum amount of time that the session can last, and a maximum number of transactions that can be conducted).

The '433 patent does not disclose a method and system for online sales utilizing different currencies whereby a cost of credit, a cost of currency, a cost of insurance or other associated fees are included in a price for products or services. In particular, the '433 patent does not receive an amount relating to a deliverable involved in an on-line transaction, determine a cost of credit to be extended based on the transaction, calculate a cost for exchange of the currency relating to the transaction and calculate a price which comprises an aggregate of the cost of credit, the cost of exchange and the amount relating to the deliverable. Nor does '433 enter a predetermined time period for which an exchange price will remain valid during an on-line transaction involving a foreign currency and a base currency, and update the exchange price if the transaction takes longer than the predetermined time period. The '433 patent also does not teach receiving information relating to a credit application for a participant in an online transaction, assigning the credit application information to a risk category and calculating a foreign exchange price for an amount relating to the online transaction utilizing variables comprising the risk

category. Furthermore, the '433 patent does not disclose a computer executable code comprising instructions for causing a computer perform these functions or software stored on a server and executable on demand via a network access device. Finally, the '433 patent does not teach determining the amount of insurance available to a participant in an on-line transaction and confirming the insurance is sufficient to guarantee payment of the purchase price as claimed in the above-identified application.

#### U.S. Patent 6,249,770B1 ('770)

The '770 patent to Erwin et al. is entitled "Method And System Of Financial Spreading And Forecasting," and issued on June 19, 2001. The '770 describes an aggregated emerging markets global risk analysis method and system, which enables emerging markets users to automatically spread and analyze historical financial statements, in relation to multiple currencies and exchange rates, for the purpose of financial forecasting (see figures 1, 5, 20). Particularly, the system receives and stores information about a company, forecast parameters, including, for example, inflation adjustment, exchange rates, last historic year, and historical account data for the company, and automatically generates financial forecasts for the company. The performance of an individual company can be compared against the performance of an industry or against any other combination of companies. By aggregating or averaging groups of companies, the system can be used to support stress testing. The system is also capable of automatically adjusting one or more accounts for inflation and automatically converting currency. Information can be imported to the system and exported from the system over a network.

The '770 patent does not disclose a method and system for online sales utilizing different currencies whereby a cost of credit, a cost of currency, a cost of insurance or other associated fees are included in a price and shown in the foreign currency for products or services. In particular, the '770 patent does not receive an amount relating to a deliverable involved in an on-line transaction, determine a cost of credit to be extended based on the transaction, calculate a cost for exchange of the currency relating to the transaction and calculate a price which comprises an aggregate of the cost of credit, the cost of exchange and the amount relating to the deliverable. Nor does '770 enter a predetermined time period for which an exchange price will remain valid during an on-line transaction involving a foreign currency and a base currency, and update the exchange price if the transaction takes longer than the predetermined time period. The '770 patent also does not teach receiving information relating to a credit application for a participant in an online transaction, assigning the credit application information to a risk category and calculating a foreign exchange price for an amount relating to the online transaction utilizing variables comprising the risk category. Furthermore, the '770 patent does not disclose a computer executable code comprising instructions for causing a computer perform these functions or software stored on a server and executable on demand via a network access device. Finally, the '770 patent does not teach determining the amount of insurance available to a participant in an on-line transaction and confirming the insurance is sufficient to guarantee payment of the purchase price as claimed in the above-identified application.

## SUMMARY

None of the above references provide for teaching a risk management system for facilitating an e-commerce transaction wherein the participants to the transaction engage in commerce using different currencies. In particular, none of the above references teach an invention which provides for online sales utilizing different currencies whereby a cost of credit, a cost of currency, a cost of insurance or other associated fees are included in a price and shown in the foreign currency for products or services.

Other aspects of the present invention that are novel include utilizing an automated sales risk management system which facilitates a transaction by providing a price of a transaction which incorporates aggregated costs related to the transaction into a price made available to the participants. For example, a currency risk management system receives an amount relating to a deliverable involved in a transaction and determines a cost for credit to be extended to a buyer. Credit can be extended resultant to the transaction. A cost for exchange of currency relating to the transaction can be calculated and included in a price for the deliverable, such that the price will include an aggregate of the cost of credit involved in the transaction, the cost for exchange of currency relating to the transaction, and the amount relating to the deliverable. In addition, the currency risk management system can transmit a calculated price to a participant via a network access device.

Further unique aspects of the present invention include that the cost for the exchange of currency can include a volume discount term relating to an aggregate notional volume associated with a participant of the transaction. The notional volume can be calculated on a periodic basis. The cost of exchange of currency can also be discounted according to a volume discount term relating to an aggregate number of transactions associated with a participant of the transaction, and/or a payment history associated with participant of the transaction.

Additionally, the present invention can determine an exchange price according to a tolerance parameter for a foreign currency in which the amount relating to the deliverable is denominated. The exchange price can relate the foreign currency to a base currency and receive a spot price relating for exchange of a foreign currency. If the spot price exceeds the tolerance parameter, the exchange can be renegotiated. A set exchange price can also be made valid for a predetermined time period for which the exchange price has been set. Accordingly, if the transaction will take place during the predetermined time period; the set exchange price can be applied.

Other aspects of the present invention include facilitating an online transaction by entering an amount of insurance available to an insured participant. The insurance can relate to non-payment by the insured participant. The currency risk management system can receive a price and/or other information descriptive of an online transaction involving the insured online participant. In turn it can confirm that the insurance available to the insured participant is sufficient to guarantee payment of the purchase price.

Another unique aspect of the current invention provides for a purchase price to be converted from a denomination in a first currency associated with the transaction into denomination in a second currency associated with the insurance. Alternatively, payment process can include a purchase amount that is converted from a denomination in a first currency associated with the transaction into denomination in a second currency associated with payment terms.

Still another aspect of the present invention provides for payment to be processed after receipt of notification of shipment of a deliverable. For example, notification can originate from a system related to processing of international customs and shipping arrangements.

Another aspect of the present invention includes receiving information relating to a credit application for a participant of an online transaction. The credit application can be assigned to a risk category. A foreign exchange price can thereby be calculated for an amount relating to the online transaction such that a risk category is considered in calculating the foreign exchange price. The credit



application can also be categorized according to a rule set in the currency risk management system. Risk associated with one or more credit applications assigned to a risk category can be aggregated and the aggregated risk can be insured. Credit terms can be issued based upon the participant's assigned risk category. In addition, the aggregated risk can be transferred according to well known methods of marketing risk.

The present invention can also be configured to limit risk associated with fluctuations in a currency price offered by a currency exchange institution to an e-commerce participant. Fluctuations in currency price can be caused, for example, by fluctuations in the market or spot price of the currency. The currency exchange institution can limit risk associated with such fluctuation by setting the currency price at a specified rate and adjusting the specified rate if delta between the market price and the specified rate exceeds a predetermined threshold. The currency exchange institution can then monitor the market price of the relevant currency, and if market price exceeds a certain tolerance that is either above or below the specified rate, the currency price can be re-negotiated. Re-negotiation of the currency price may take place in any means set forth by the parties, for example in face-to-face discussions, by telephone, by email, or automatically by a computer according to agreed upon terms.

The present invention also accounts for fluctuations in the market price of the relevant currency and provides stability for the currency price within a given range. Functions associated with tolerance initiated price negotiation including the monetary conversions, periodic monitoring of spot price, comparison with set parameters, and adjustment of the set currency price can be performed by the currency exchange risk management system. Additionally, the currency exchange institution can monitor the spot price continuously or at various time intervals and either alert interested parties when the tolerance is exceeded, or automatically adjust the specified rate according to a predetermined algorithm.

In another unique aspect, the present invention can include a computer system for providing risk management relating to online transactions. A computer server can be made accessible with a network access device via a communications network; and executable software can be stored on the server and be made executable on demand via the network access device. Software operative with the server to can be utilized to determine transaction price. Other embodiments can include a computer executable program code residing on a computer-readable medium or a computer data signal embodied in a digital data stream.